



# County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, California 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA  
Chief Executive Officer

July 19, 2011

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**AMENDMENT NO. 1 TO COUNTY LEASE NO. 72382  
DEPARTMENT OF PUBLIC SOCIAL SERVICES  
2701 FIRESTONE BOULEVARD, SOUTH GATE  
(FIRST DISTRICT) (3 VOTES)**

**SUBJECT**

This recommendation is for a lease amendment to extend the lease term for an additional five-year period, thereby providing the Department of Public Social Services uninterrupted use of the 7,200 square foot space and 24 parking spaces.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Find that the project is exempt from the provisions of the California Environmental Quality Act pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 of the State of California Environmental Quality Act Guidelines (Existing Facilities).
2. Approve and instruct the Mayor to sign the lease amendment with Firestone Plaza, LLC for the Department of Public Social Services to continue occupancy of 7,200 rentable square feet of office space and 24 parking spaces located at 2701 Firestone Boulevard, South Gate, at a maximum first year cost of \$133,920. The rental costs are 92 percent funded by State and federal subvention and 8 percent net County cost.

*"To Enrich Lives Through Effective And Caring Service"*

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Board of Supervisors  
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MICHAEL D. ANTONOVICH  
Fifth District

## **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of this recommended action is to enter into a lease amendment, that allows the Department of Public Social Services (DPSS) to continue occupancy and operations at the subject building for an additional five years. Lease No. 72382 expired on October 3, 2010, and occupancy has continued on a month-to-month holdover tenancy. The subject facility houses DPSS' General Relief Opportunities for Work (GROW) program for the South Los Angeles area comprising 17 full-time employees. The GROW program provides Welfare-to-Work services for General Relief participants. Approximately 43 participants visit this facility for job training services on a daily basis.

## **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan Goal of Operational Effectiveness (Goal 1) directs that we maximize the effectiveness of the County's operations to support the timely delivery of customer-oriented and efficient public services. Approval of the lease amendment will provide the continued occupancy of the office space that houses DPSS programs. The lease amendment is in conformance with the Asset Management Principles as outlined in Attachment A.

## **FISCAL IMPACT/FINANCING**

The maximum first year rental costs will be \$133,920.

<b>2701 Firestone Blvd., South Gate</b>	<b>Existing Lease</b>	<b>Proposed Amendment</b>	<b>Changes</b>
Area	7,200 square feet (sq. ft.)	7,200 square feet (sq. ft.)	None
Term	10/4/2005 to 10/3/2010; Month-to-Month (10/4/10-Present)	7/19/2011 to 7/18/2016 Upon Board approval	+5 years
Annual Rent	\$94,392 (\$13.11 per sq. ft.)	\$133,920 (\$18.60 per sq. ft.)	+\$39,528
Utilities Cost	\$0.00 (Included in Lease)	\$19,008 (\$2.64 per sq. ft.)*	+\$19,008
Total Cost**	\$94,392 (\$13.11 per sq. ft.)	\$152,928 (\$21.24 per sq. ft.)	+\$58,536
Annual Rent Adjustment	None	Consumer Price Index (CPI) Adjustment: Maximum of 4 percent	Maximum of 4 percent
Parking (included in Rent)	24 spaces	24 spaces	None
Cancellation	Anytime upon 60 days notice	Anytime after February 28, 2014 upon 90 days notice	Anytime after February 28, 2014 upon 90 days notice

\* Utilities are projected to be \$2.64 per square foot, annually.

\*\* Total Cost is the sum of the Annual Rent and Utilities Cost.

The proposed rent represents an increase of 42 percent plus the new responsibility for utility expenses. For over the past ten years, the rental rate has been below market pursuant to the current lease terms, and now the rate is being increased in line with current market rents for space at similar retail centers in the area. Moreover, DPSS' wants to remain at this facility because it is in a location that works well for the service area. Ultimately, it was determined that the rental increase was more cost-effective than the costs to relocate and construct new tenant improvements.

Sufficient funding for the proposed lease amendment will be included in the 2011-12 Rent Expense budget and will be billed back to DPSS. DPSS will allocate sufficient funds in its 2011-12 operating budget to cover the projected lease costs. The rental costs are 92 percent funded by State and federal subvention and 8 percent net County cost.

#### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The existing terms and conditions of the original lease shall remain unchanged for the proposed amendment, except the following provisions:

- The extended lease term shall commence upon execution of Amendment No. 1 by the County of Los Angeles (County), and terminate five years thereafter.
- The rent shall be adjusted annually in accordance with changes in the CPI, but the annual adjustment shall not be more than 4 percent.
- A new cancellation option allows the County to terminate early anytime after February 28, 2014, upon 90 days advance written notice.
- The Lessor will continue to be responsible for the operating expenses associated with the County's tenancy, except utilities. Responsibility for utility expenses is being shifted from the Lessor to the County as part of this amendment.
- As a condition precedent to the County entering this lease amendment, the Lessor shall upgrade the HVAC system and install new carpet, at its sole expense.

Based upon a market survey of similar retail properties, staff has determined that the rental range including parking for similar properties and similar lease terms is between \$18 and \$30 per square foot per year. Thus, the proposed annual rental rate of \$18.60 is within the market rental range for the area.

An evaluation of the subject building was conducted by the Department of Public Works' (DPW) Architectural Engineering Division. DPW engineers have indicated the building's structural system is suitable for County-leased buildings.

The Honorable Board of Supervisors  
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Notice has been sent to the City of South Gate (City) pursuant to Government Code Sections 65402 and 25351. The City has no objections to the proposed renewal.

A child care center in this building is not feasible.

**ENVIRONMENTAL DOCUMENTATION**

The Chief Executive Office (CEO) has concluded that this project is exempt from California Environmental Quality Act (CEQA) as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board, and Section 15301 of the State CEQA Guidelines (Existing Facilities).

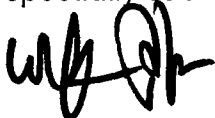
**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The proposed lease amendment will provide the office space necessary for DPSS to maintain its GROW program at the current location. DPSS concurs with the recommendation herein.

**CONCLUSION**

It is requested that the Executive Officer, Board of Supervisors return three certified copies of the Minute Order and the adopted stamped Board letter to the CEO, Real Estate Division, 222 South Hill Street, Los Angeles, CA 90012.

Respectfully submitted,



WILLIAM T FUJIOKA  
Chief Executive Officer

WTF:RLR  
CEM:KW:hd

**Attachments**

c: Executive Office, Board of Supervisors  
County Counsel  
Auditor-Controller  
Internal Services  
Public Social Services

**DEPARTMENT OF PUBLIC SOCIAL SERVICES  
2701 FIRESTONE BOULEVARD, SOUTH GATE  
Asset Management Principles Compliance Form<sup>1</sup>**

<b>1.</b>	<b><u>Occupancy</u></b>		<b>Yes</b>	<b>No</b>	<b>N/A</b>
	A	Does lease consolidate administrative functions? <sup>2</sup>			X
	B	Does lease co-locate with other functions to better serve clients? <sup>2</sup>	X		
	C	Does this lease centralize business support functions? <sup>2</sup>			X
	D	Does this lease meet the guideline of 200 sq. ft of space per person? <sup>2</sup> <b>424 sq. ft. per person. The space includes classrooms for training purposes.</b>		X	
<b>2.</b>	<b><u>Capital</u></b>				
	A	Is it a substantial net County cost (NCC) program?		X	
	B	Is this a long term County program?	X		
	C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		X	
	D	If no, are there any suitable County-owned facilities available?		X	
	E	If yes, why is lease being recommended over occupancy in County-owned space?			X
	F	Is Building Description Report attached as Attachment B?	X		
	G	Was build-to-suit or capital project considered? <sup>2</sup> <b>Budget conditions do not support such a project at this time.</b>		X	
<b>3.</b>	<b><u>Portfolio Management</u></b>				
	A	Did department utilize CEO Space Request Evaluation (SRE)?	X		
	B	Was the space need justified?	X		
	C	If a renewal lease, was co-location with other County departments considered?	X		
	D	Why was this program not co-located?			
		1. ____ The program clientele requires a "stand alone" facility.			
		2. <u>X</u> No suitable County occupied properties in project area.			
		3. <u>X</u> No County-owned facilities available for the project.			
		4. ____ Could not get City clearance or approval.			
		5. ____ The Program is being co-located.			
	E	Is lease a full service lease? <sup>2</sup> <b>The landlord insisted on changing the original lease terms for this lease renewal. The original lease did not require DPSS to pay utility expenses directly.</b>		X	
	F	Has growth projection been considered in space request?		X	
	G	Has the Dept. of Public Works completed seismic review/approval?	X		
<sup>1</sup> As approved by the Board of Supervisors 11/17/98					
<sup>2</sup> If not, why not?					

## SPACE SEARCH, 5 MILE RADIUS OF 2701 FIRESTONE, SOUTH GATE

### DPSS – 2701 FIRESTONE, SOUTH GATE

LACO FACILITY NAME	ADDRESS	SQUARE FEET GROSS NET	OWNERSHIP	SQUARE FEET AVAILABLE
A441 PROBATION-DAY REPORTING CENTER	5811 S SAN PEDRO ST, LOS ANGELES 90011	7650	7268 LEASED	NONE
C740 DPSS-FLORENCE AP DISTRICT OFFICE	1740 E GAGE AVE, LOS ANGELES 90001	60000	28601 OWNED	NONE
C741 DPSS-FOOD STAMPS/ FISCAL SERVICES OFFICE	6367 S HOLMES AVE, LOS ANGELES 90001	5220	3872 OWNED	NONE
Y425 PUBLIC LIBRARY-FLORENCE LIBRARY	1610 E FLORENCE AVE, LOS ANGELES 90001	5124	4448 OWNED	NONE
A320 MENTAL HEALTH-WELLNESS CENTER	2675 ZOE AVE, HUNTINGTON PARK 90255	2574	2445 LEASED	NONE
5578 DPSS-METRO EAST AP DISTRICT OFFICE	2855 E OLYMPIC BLVD, LOS ANGELES 90023	63066	29220 OWNED	NONE
5466 PUBLIC LIBRARY-HUNTINGTON PARK LIBRARY	6518 MILES AVE, HUNTINGTON PARK 90255	33482	24243 OWNED	NONE
3709 HUNTINGTON PARK COURTHOUSE	6548 MILES AVE, HUNTINGTON PARK 90255	29954	21359 GROUND LEASE	NONE
T409 HUNTINGTON PARK COURTHOUSE ANNEX	6548 MILES AVE, HUNTINGTON PARK 90255	4480	4000 GROUND LEASE	NONE
D030 PUBLIC LIBRARY-MAYWOOD CESAR CHAVEZ LIBRARY	4323 E SLAUSON AVE, MAYWOOD 90270	3362	2881 GRATIS USE	NONE
A190 PUBLIC LIBRARY-BELL LIBRARY	4411 E GAGE AVE, BELL 90201	4863	3515 LEASED	NONE
4465 OF KIRBY CENTER-ADMINISTRATION BUILDING	1500 S MCDONNELL AVE, COMMERCE 90022	18169	10117 OWNED	NONE
B460 DPSS-GAIN PROGRAM REGION VI OFFICE	5460 BANDINI BLVD, BELL 90201	31400	21815 LEASED	NONE
A133 CHILD SUPPORT SERVICES-DIVISION II HQ	5770 S EASTERN AVE, CITY OF COMMERCE 90040-2924	84477	63413 LEASED	NONE
A188 SHERIFF-INTERNAL AFFAIRS BUREAU/RISK MANAGEMT	4900 S EASTERN AVE, CITY OF COMMERCE 90040	38936	33247 LEASED	NONE
A332 CHILD SUPPORT SERVICES-TRAINING/IT DIVISION	5500 S EASTERN AVE, CITY OF COMMERCE 90040	48794	46354 LEASED	NONE
A570 CSD-INTERSTATE/CALL CENTER/CID	5701 S EASTERN AVE, CITY OF COMMERCE 90040	61130	55017 LEASED	NONE
A069 FIRE-MAPPING/DA-AUTO INSURANCE FRAUD OFFICE	5900 S EASTERN AVE, CITY OF COMMERCE 90040	11720	11048 LEASED	NONE
A580 FIRE-ADMINISTRATIVE HEADQUARTERS OFFICE ANNEX	5801 S EASTERN AVE, CITY OF COMMERCE 90040	28474	25627 LEASED	NONE
A157 DCFS BELVEDERE OFFICE	5835 S EASTERN AVE, CITY OF COMMERCE 90040	38814	36873 LEASED	NONE
A183 SHERIFF-HOMICIDE BUREAU OFFICE BUILDING	5747 RICKENBACKER RD, CITY OF COMMERCE 90040	17460	14563 LEASED	NONE
A446 FIRE-INFORMATION MANAGEMENT DIVISION OFFICES	5815 RICKENBACKER RD, CITY OF COMMERCE 90040	3722	3350 LEASED	NONE
A823 FIRE-FIRE PREVENTION DIV/ FORESTRY DIV HQQTRS	5823 RICKENBACKER RD, CITY OF COMMERCE 90040	17710	15939 LEASED	NONE
A146 FIRE-HAZARDOUS MATERIALS DIVISION HEADQUARTERS	5825 RICKENBACKER RD, CITY OF COMMERCE 90040	16670	13737 LEASED	NONE
A427 FIRE-MAPPING & ENGINEERING SECTION OFFICES	5847 RICKENBACKER RD REAR, CITY OF COMMERCE 90040	14354	12200 LEASED	NONE
B059 DISTRICT ATTORNEY-AUTO INSURANCE FRAUD UNIT	5999 E SLAUSON AVE, COMMERCE 90040	6840	6500 GRATIS USE	NONE
5374 PUBLIC LIBRARY-WOODCREST LIBRARY	1340 W 106TH ST, LOS ANGELES 90044	7254	5895 OWNED	NONE
A643 SOUTH L.A. COUNTY ADMINISTRATION BUILDING	8300 S VERMONT AVE, LOS ANGELES 90044	210000	195500 LEASED	NONE
X419 PROBATION CENTINELA OFFICE/PW-BLDG & SAFETY	1320 W IMPERIAL HWY, LOS ANGELES 90044	30000	28500 OWNED	NONE
A661 MENTAL HEALTH-SPECIALIZED FOSTER CARE	10421 S FIGUEROA ST, LOS ANGELES 90003	5296	5031 LEASED	NONE
Y264 PROBATION-KERNON JUSTICE CENTER OFFICE	7672 S CENTRAL AVE, LOS ANGELES 90001	4505	2190 OWNED	NONE
B995 DAVID V KERNON JUVENILE JUSTICE CENTER	7625 S CENTRAL AVE, LOS ANGELES 90001	18108	12335 OWNED	NONE
6400 DCSS-FLORENCE / FIRESTONE SERVICE CENTER	7807 S COMPTON AVE, LOS ANGELES 90001	15929	8834 OWNED	NONE
5275 PH-SOUTH PUBLIC HEALTH CENTER	1522 E 102ND ST, LOS ANGELES 90002	19060	11704 OWNED	NONE
5721 DPSS-SOUTH CENTRAL AP DISTRICT OFFICE	10728 S CENTRAL AVE, LOS ANGELES 90002	51991	32463 OWNED	NONE
Y426 PUBLIC LIBRARY-GRAHAM LIBRARY	1900 E FIRESTONE BLVD, LOS ANGELES 90001	5125	4448 OWNED	NONE
6875 PH-OASIS CLINIC	1807 E 120TH ST, LOS ANGELES 90059-3005	6000	5700 OWNED	NONE
Y861 ML KING-PLANT MANAGEMENT BUILDING	12021 S WILMINGTON AVE, LOS ANGELES 90059	16000	14400 OWNED	NONE
A034 PUBLIC LIBRARY-WILLOWBROOK LIBRARY	11838 S WILMINGTON AVE, LOS ANGELES 90059	2200	2039 LEASED	NONE
6819 PROBATION-FIRESTONE AREA OFFICE	8526 S GRAPE ST, LOS ANGELES 90001	15431	10475 OWNED	NONE
X349 LYNNWOOD REGIONAL JUSTICE CENTER COURT(CLOSED)	11701 S ALAMEDA ST, LYNNWOOD 90262	62078	53480 FINANCED	NONE
X351 CENTURY DETENTION-DETENTION ADMINISTRATION	11705 S ALAMEDA ST, LYNNWOOD 90262	20706	17600 FINANCED	NONE
5934 PUBLIC LIBRARY-LELAND R WEAVER LIBRARY	4035 TWEEDY BLVD, SOUTH GATE 90280	19461	16955 OWNED	NONE
6723 PUBLIC LIBRARY-LYNNWOOD LIBRARY	11320 BULLIS RD, LYNNWOOD 90262	11722	10396 OWNED	NONE
Y460 DPSS-CUDAHY A/P DISTRICT OFFICE	8130 S ATLANTIC AVE, CUDAHY 90201	30873	24212 OWNED	NONE
A680 PUBLIC LIBRARY-CUDAHY LIBRARY	5218 SANTA ANA ST, CUDAHY 90201	4396	3332 LEASED	NONE
X998 LOS PADRINOS JUVENILE COURTHOUSE-1	7281 E QUILL DR, DOWNEY 90242	47232	23148 OWNED	NONE
0639 LOS PADRINOS-MENTAL HEALTH OFFICE	7285 E QUILL DR, DOWNEY 90242	1180	1034 OWNED	NONE
T412 LOS PADRINOS-MENTAL HEALTH MODULAR OFFICE-27	7285 E QUILL DR, DOWNEY 90242	1200	1100 OWNED	NONE
6467 AG COMMYWTS MEAS-SOUTH GATE ADMINISTRATION	11012 GARFIELD AVE, SOUTH GATE 90280	21902	15325 OWNED	NONE
A755 PUBLIC LIBRARY-HEADQUARTERS	7400 E IMPERIAL HWY, DOWNEY 90242	68000	55733 FINANCED	NONE
1203 PH-PUBLIC HEALTH FACILITIES BUILDING 301/302	12838 ERICKSON AVE, DOWNEY 90242	39150	24340 OWNED	NONE
1238 RANCHO-CASA CONSUELO (UNUSED)	7601 E IMPERIAL HWY, DOWNEY 90242	41643	22713 OWNED	NONE
A308 PUBLIC LIBRARY-BELL GARDENS LIBRARY	7110 S GARFIELD AVE, BELL GARDENS 90201	5000	4213 P	NONE
0138 RANCHO-BUILDING 700 MODULAR ANNEX	7601 E IMPERIAL HWY, DOWNEY 90242	5665	4622 OWNED	NONE
0139 RANCHO-BUILDING 800 MODULAR ANNEX	7601 E IMPERIAL HWY, DOWNEY 90242	5700	4470 OWNED	NONE
0140 RANCHO-BUILDING 900 ANNEX 'A'	7601 E IMPERIAL HWY, DOWNEY 90242	5700	4931 OWNED	NONE
0141 RANCHO-BUILDING 900 ANNEX 'B'	7601 E IMPERIAL HWY, DOWNEY 90242	5700	5307 OWNED	NONE
1100 PUBLIC SAFETY-HEADQUARTERS/HEALTH SVCS BUREAU	7601 E IMPERIAL HWY, DOWNEY 90242	30964	18442 OWNED	NONE
1121 RANCHO-EMPLOYEE CHILD CARE/SCHOOL (UNUSED)	7601 E IMPERIAL HWY, DOWNEY 90242	1400	1100 OWNED	1100
1123 RANCHO-EMPLOYEE CHILD CARE CENTER (UNUSED)	7601 E IMPERIAL HWY, DOWNEY 90242	1408	1185 OWNED	1185
1180 RANCHO-HARRIMAN BUILDING 400 - ADMINISTRATION	7601 E IMPERIAL HWY, DOWNEY 90242	85879	39682 OWNED	NONE
1189 RANCHO-GENERAL SERV/CES/BLDG 201 (UNUSED)	7601 E IMPERIAL HWY, DOWNEY 90242	14542	9336 OWNED	9336
1190 RANCHO-HOUSEKEEPING/ BUILDING 202 (UNUSED)	7601 E IMPERIAL HWY, DOWNEY 90242	12438	9322 OWNED	9322
1191 RANCHO-PURCHASING OFFICE/ BLDG 203 (UNUSED)	7601 E IMPERIAL HWY, DOWNEY 90242	6339	4055 OWNED	4055
1192 RANCHO-SNACK BAR #1/ BUILDING 204 (UNUSED)	7601 E IMPERIAL HWY, DOWNEY 90242	6325	4299 OWNED	4299
1193 RANCHO-RECREATION SERVICES/ BLDG 205 (UNUSED)	7601 E IMPERIAL HWY, DOWNEY 90242	6245	4518 OWNED	4518
1194 RANCHO-DIETARY OFFICE/BUILDING 206 (UNUSED)	7601 E IMPERIAL HWY, DOWNEY 90242	6245	4231 OWNED	4231
1195 RANCHO-NURSING STORAGE/BUILDING 207 (UNUSED)	7601 E IMPERIAL HWY, DOWNEY 90242	6325	4724 OWNED	4427
1196 RANCHO-CLASSROOM BUILDING/BLDG 208 (UNUSED)	7601 E IMPERIAL HWY, DOWNEY 90242	6245	4427 OWNED	7910
1198 RANCHO-NURSING EDUCATION/BLDG 210 (UNUSED)	7601 E IMPERIAL HWY, DOWNEY 90242	12924	7910 OWNED	4647
1199 RANCHO-HISTOPATHOLOGY LAB/BLDG 311 (UNUSED)	7601 E IMPERIAL HWY, DOWNEY 90242	6381	4647 OWNED	15462
1205 RANCHO-BUILDINGS 303/304 KINESIOLOGY (UNUSED)	7601 E IMPERIAL HWY, DOWNEY 90242	25689	15462 OWNED	2045
1254 RANCHO-HOSPITAL LANDSCAPE CONTRACTOR'S OFFICE	7601 E IMPERIAL HWY, DOWNEY 90242	2663	2045 OWNED	NONE
1264 RANCHO-BONITA HALL (REHAB ENGINEERING)	7601 E IMPERIAL HWY, DOWNEY 90242	6612	3426 OWNED	2860
1267 RANCHO-TRANSPORTATION OFFICE (UNUSED)	7601 E IMPERIAL HWY, DOWNEY 90242	3542	2860 OWNED	NONE
2892 RANCHO-BUILDINGS 605/606	7601 E IMPERIAL HWY, DOWNEY 90242	15658	12249 OWNED	NONE
3385 RANCHO-HOSPITAL OFFICE BLDG 500,501,502 & 503	7601 E IMPERIAL HWY, DOWNEY 90242	88104	63850 FINANCED	NONE
X238 RANCHO-SUPPORT SERVICES ADMINISTRATION BLDG	7601 E IMPERIAL HWY, DOWNEY 90242	66200	56002 FINANCED	NONE
D600 DOWNEY COURTHOUSE	7500 E IMPERIAL HWY, DOWNEY 90242	103502	77003 FINANCED	NONE
4403 SOUTH SERVICES AGENCY-ADMINISTRATION BUILDING	360 W EL SEGUNDO BLVD, LOS ANGELES 90061	2584	1901 OWNED	NONE
6319 PUBLIC LIBRARY-A C BILBREW LIBRARY	150 E EL SEGUNDO BLVD, LOS ANGELES 90061	21843	18287 OWNED	NONE
A552 DCSS-WILLOWBROOK ONE-STOP CAREER CENTER	12700 AVALON BLVD, LOS ANGELES 90061	24706	23471 LEASED	NONE
6465 DCSS-WILLOWBROOK SENIOR CENTER	12915 S JARVIS AVE, LOS ANGELES 90061	12858	8670 OWNED	NONE
A644 MENTAL HEALTH-FSP ASOC	546 W COMPTON BLVD, COMPTON 90220	4207	3997 LEASED	NONE
0370 COMPTON AIRPORT-ADMIN BUILDING-8	901 W ALONDRA BLVD, COMPTON 90220	2880	2592 OWNED	NONE
A561 DHS-DOLLARHIDE HEALTH CENTER (P/PP SITE)	1108 N OLEANDER AVE, COMPTON 90222	4685	2537 LEASED	NONE
5982 PUBLIC LIBRARY-COMPTON LIBRARY	240 W COMPTON BLVD, COMPTON 90220	43842	15830 OWNED	NONE
STATE OF CA AND COUNTY OF LA (PARTIAL)				
6420 COMPTON COURTHOUSE	200 W COMPTON BLVD, COMPTON 90220	576466	257217 OWNED	NONE
A556 DMH/DC&FS-COMPTON FAMILY SERVICES CENTER	921 E COMPTON BLVD, COMPTON 90221	60180	57172 LEASED	NONE
A556 DMH/DC&FS-COMPTON FAMILY SERVICES CENTER	921 E COMPTON BLVD, COMPTON 90221	60180	57172 LEASED	NONE
X169 DPSS-COMPTON AP DISTRICT OFFICE	211 E ALONDRA BLVD, COMPTON 90220	48135	38777 OWNED	NONE
A620 PUBLIC LIBRARY-EAST RANCHO DOMINGUEZ LIBRARY	4205 E COMPTON BLVD, EAST RANCHO DOMINGUEZ 90221	5000	4529 LEASED	NONE
A560 DCSS-EAST RANCHO DOMINGUEZ SERVICE CENTER	4513 E COMPTON BLVD, RANCHO DOMINGUEZ 90221	4436	3188 LEASED	NONE
D980 PUBLIC LIBRARY-HOLLYDALE LIBRARY	12000 S GARFIELD AVE, SOUTH GATE 90280	4800	4440 LEASED	NONE

**AMENDMENT NO. 1 TO COUNTY LEASE NO. 72382  
2701 FIRESTONE BOULEVARD, SOUTH GATE**

This Amendment No. 1 to Lease No. 72382 ("Amendment No. 1") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2011, by and between FIRESTONE PLAZA, LLC, a California Limited Liability Company ("Lessor") and the COUNTY OF LOS ANGELES, a body politic and corporate ("Lessee").

**RECITALS:**

**WHEREAS**, Lessor and Lessee entered into that certain County Lease No. 72382 dated September 7, 1999 (the "Lease") whereby Lessor leased to Lessee approximately 7,200 rentable square feet of space in the building located at 2701 Firestone Boulevard, South Gate, California ("Premises"), for a term of five (5) years from October 4, 2000 to October 3, 2005 (Initial Term); and

**WHEREAS**, Lessee exercised the Option to Renew the lease on September 20, 2005 and the parties extended the Lease Term from October 4, 2005 to October 3, 2010 (First Extension Term); and

**WHEREAS**, The First Extension Term for the Premises expired on October 3, 2010 and continues on a monthly basis; and

**WHEREAS**, Landlord and Tenant desire to amend the Lease for the purpose of extending the Term of the Lease, adjusting the rent, and effectuating certain improvements; and

**NOW, THEREFORE**, in consideration of the foregoing recitals, which are hereby deemed a contractual part hereof, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and the rents, covenants and agreements hereinafter contained, Lessor and Lessee hereby covenant and agree to amend the Lease as follows:

1. Section 2 TERM is hereby amended so as to add the following language as subsection (C):

The Second Extension Term shall commence upon execution of this Amendment No. 1 by the Lessee (the "Second Extension Commencement Date") and terminate five years thereafter, subject to earlier termination by Tenant as provided in Section 5 of the Lease. The phrase "Term of this Lease" or "the Term hereof" as used in this Lease, or words of similar import, shall refer to the Initial Term and Extension Terms of this Lease.

2. Section 3. RENT is hereby deleted in its entirety, and the following language is inserted in substitution thereof:

Base Rent. The Lessee hereby agrees to pay as rent for the Premises during the term hereof the sum of Eleven Thousand One Hundred Sixty and 00/100 Dollars (\$11,160.00) per month. The rent for the first full calendar month of the Second Extension Term shall be due and payable within 30 days of the Second Extension Commencement Date. A monthly installment in the same amount, subject to the adjustments described in Section 29 of the Lease, shall be due and payable without demand on or before the first day of each calendar month succeeding the Second Extension Commencement Date during the Term hereof, except that rent for any fractional calendar month at the commencement or end of the Term shall be prorated on a daily basis, provided that

Landlord shall file a payment voucher with the Auditor of the County of Los Angeles (the "County") for the monthly rent prior to the Second Extension Commencement Date for the initial month(s) of the Second Extension Term up to and including June, and annually thereafter in June for the ensuing 12 months.

3. Section 5 CANCELLATION is hereby deleted in its entirety, and the following language is inserted in substitution thereof:

Lessee shall have the right to cancel this Lease on or any time after February 28, 2014 for any reason by giving Lessor 90 days' advance written notice. Lessee shall also have the right to cancel this Lease, pursuant to the provisions set forth in Sections 7, 9B, 12B, 16, 20, 21, 25 and 26, hereof.

4. Section 10. UTILITIES, is hereby deleted in its entirety, and the following language is inserted in substitution thereof:

Lessee agrees to pay when due all charges for the use of the sewer, effluent treatment, when and if imposed by any governmental authority, all water, sprinkler standby charges, electricity, gas, and other lighting, heating, and power and other utility rents and charges accruing or payable in connection with the Premises during the term of this Lease or any renewal, extension, or holdover thereof, whether the same are pro-rated or measured by separate meters.

Lessee shall be solely responsible for and shall promptly apply for and transfer all said utilities into Lessee's name and shall promptly pay for all fees, deposits and charges, including use and/or connection fees, hook-up fees and/or standby fees associated with such transfer of utilities, if applicable.

5. Section 15. NOTICES, is hereby deleted in its entirety, and the following language is inserted in substitution thereof:

All notices and communications to any party hereunder shall be in writing and shall be deemed properly given if delivered personally, sent by registered or certified mail, postage prepaid, or by a recognized overnight commercial messenger providing proof of delivery, facsimile (electronically confirmed) to Lessor's Address for Notice and Lessee's Address for Notice as set forth below. Any notice so given shall be deemed to have been given as of the date of delivery (whether accepted or refused) established by U.S. Postal return receipt or overnight carrier's proof of delivery, as the case may be. Any such notice not so given shall be deemed given upon receipt of the same by the party to whom the same is to be given.

Any such notice and the envelope containing the same shall be addressed to the Lessor as follows:

Firestone Plaza, LLC  
Attention: Aris Sarigianides  
2701 Firestone Blvd., Unit C  
South Gate, CA 90280

or such other place as may hereinafter be designated in writing by the Lessor except that Lessor shall at all times maintain a mailing address in California.



The notices and envelopes containing the same shall be addressed to the Lessee as follows:

Board of Supervisors  
Kenneth Hahn Hall of Administration, Room 383  
500 West Temple Street  
Los Angeles, CA 90012

with a copy to:

Chief Executive Office  
Real Estate Division  
Attention: Director of Real Estate  
222 South Hill Street, 3<sup>rd</sup> Floor  
Los Angeles, CA 90012

6. Section 17A, 17B, 17C, and 17D. INSURANCE, are hereby deleted in their entirety, and the following language is inserted in substitution thereof:

(a) Lessor's Insurance. During the term of this Lease, Lessor shall maintain the following insurance:

(i) Commercial property insurance which shall (1) cover damage to Lessor's property, including improvements and betterments, from perils covered by the causes-of-loss special form (ISO form CP 10 30), and include ordinance or law coverage and (2) be written for full replacement cost of the property, with a deductible of no greater than 5% of the property value.

(ii) General liability insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following: (1) per occurrence and general aggregate amount of \$5,000,000; (2) products/completed operations aggregate of \$2,000,000 and (3) personal and advertising injury of \$1,000,000.

(iii) Failure by Lessor to maintain the insurance required by this Section and deliver evidence thereof as required by this Lease or to use any insurance proceeds to timely repair and restore the Premises shall constitute a material breach of this Lease.

(b) Insurance Requirements. All insurance policies required to be maintained by Lessor under this Lease shall be issued by insurance companies which have a Best's Rating of "AVII" or better and which are qualified to do business in the State of California. All liability and property damage and other casualty policies of Lessee shall be written as primary policies, not contributing with, and not in excess of coverage which Lessor may carry.

(c) Certificates. Lessor shall deliver to Lessee on the Commencement Date of this Lease and thereafter at least fifteen (15) days prior to expiration of any insurance required to be carried hereunder, certificates of insurance evidencing this coverage with limits not less than those specified above. Certificates must document the subject Property's address, that each party has named the other as an additional insured (or its equivalent) on its general liability and property insurance policy. Further, all certificates shall expressly provide that no less than

thirty (30) days' prior written notice shall be given to Lessee in the event of material change to, expiration or cancellation of the coverages or policies evidenced by the certificates.

(d) Waiver of Subrogation. Lessor and Lessee each hereby waive their rights of subrogation against one another to the extent it is covered by the property insurance policies required to be carried hereunder. Lessor shall cause its insurance carriers to consent to the foregoing waiver of rights of subrogation against Lessee.

(e) Lessee's Insurance: During the term of this Lease, Lessee shall maintain the insurance, at its sole cost and expense, during the entire term of this Lease and keep in force Commercial General Liability Insurance with respect to the Premises and the Lessee's operations in, on or about the Premises, in which the limits shall not be less than Two Million Dollars (\$2,000,000) per occurrence., naming Lessor as an additional insured. At the sole option of Lessee, it may self-insure by self-funding any or all of its insurance obligation required under this Agreement. It is understood that if Lessee elects to self-insure, Lessor shall have the same benefits and protections as if Lessee carried insurance with a third party insurance company.

The Lessee shall indemnify, defend and hold harmless the Lessor from and against any and all liability, loss, injury or damage including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney fees and costs) arising by reason or connected with any bodily injury, death, personal injury, advertising injury, or property injury resulting from Lessee's use and/or activities on Premises.

7. Section 25. TENANT IMPROVEMENTS, is hereby deleted in its entirety, and the following language is inserted in substitution thereof:

As a condition precedent to Lessee entering into this Lease Amendment No. 1, Lessor hereby agrees to complete certain Tenant Improvements at its sole cost and expense. Lessee shall not be required to reimburse Lessor for any costs associated with the following Scope of Work:

i. Lessor shall repair and/or upgrade the Heating Ventilation and Air Conditioning (HVAC) system servicing the Premises. This work shall include but not be limited to relocating existing HVAC registers and/or ducting as well as completion of a comprehensive air balancing. The HVAC work shall be completed in such a manner as to uphold the following HVAC standards:

Lessor shall supply cooling, ventilating and heating with capacity to produce the following results effective during County's normal business hours established by the Lease and within tolerances normal in comparable office buildings; maintenance of inside space conditions of not greater than 78 degrees Fahrenheit when the outside air temperature is not more than 93 degrees Fahrenheit dry bulb and 70 degrees Fahrenheit wet bulb, and not less than 70 degrees Fahrenheit when the outside air temperature is not lower than 42 degrees Fahrenheit dry bulb. Interior space is designated at a rate of one zone for approximately each 1,000 square feet and one diffuser for each 200 square feet of usable square footage within the Premises.

ii. Lessor shall replace the damaged and worn carpet with comparable quality in certain areas throughout the Premises as agreed upon by Lessor and Lessee.

Lessor, within thirty (30) days after receipt of a duly executed copy of this Amendment No. 1, shall promptly prepare or cause its architect and/or engineer to prepare the Working Drawings ("Working Drawings") covering the aforementioned Scope of Work.

The Tenant Improvements must be of substantially the same quality, value and workmanship as the remainder of the Building, and must be completed in accordance with all applicable laws. The Premises shall meet all applicable City, County, State and Federal building codes, regulations and ordinances required for beneficial occupancy. Any non-Tenant Improvement work, including construction, that Lessor must undertake to obtain the necessary jurisdictional approvals shall be at Lessor's sole cost and expense.

~ The parties agree that the estimated time for completion of the Tenant Improvements is 120 days from the date of issuance of the building permit(s), if applicable (the "Estimated Completion Date"). Lessor shall file for building permit(s), if applicable, to construct the Tenant Improvements within thirty (30) days of completion of final Working Drawings and shall diligently proceed to obtain the permit(s) as soon as reasonably possible.

Completion of the Tenant Improvements may be delayed by the following ("Force Majeure Events"):

1. Any act of God which Lessor could not have reasonably foreseen and provided for, or
2. Any strikes, boycotts or like obstructive acts by employees or labor organizations which Lessor cannot overcome with reasonable effort and could not reasonably have foreseen and provided for, or
- 3 Any war or declaration of a state of national emergency, or
4. The imposition by government action or authority of restrictions upon the procurement of labor or materials necessary for the completion of the Tenant Improvements.

~ If Lessor fails to obtain the building permit(s), if applicable, for the Tenant Improvements within a reasonable time after the Lessee's execution of this Amendment No. 1, taking all factors into consideration, or if the Tenant Improvements have not been completed within ninety (90) days from the Estimated Completion Date, which period shall be extended for the duration of a Force Majeure Event, Lessee may, at its option, upon thirty (30) days written notice to Lessor, assume the responsibility for performing the Tenant Improvements itself or cancel the Lease. If Lessee elects to perform the Tenant Improvements, then Lessee, its officers, employees, agents, contractors, subcontractors and assignees, shall have free access to the Premises at all reasonable times for the purpose of performing the Tenant Improvements and for any other purposes related thereto.

8. Section 29. RENTAL ADJUSTMENTS, is hereby deleted in its entirety, and the following language is inserted in substitution thereof:

29(a) Rent Adjustment. At the beginning of the 13<sup>th</sup> month of the Second Extension Term (the "Adjustment Date") and on every anniversary of the Adjustment Date thereafter, Base Rent shall be adjusted by applying the CPI Formula set forth below. The "Basic Index" shall be the Index published for the month the Second Extension Term commences.

29(b) CPI Formula. The Index means the Consumer Price Index for all Urban Consumers for the Los Angeles-Riverside-Orange County, CA area, all items published by the United States Department of Labor, Bureau of Labor Statistics (1982-84=100). The "CPI Formula" means Base Rent multiplied by a fraction, the numerator being the Index published for the month immediately preceding the month the adjustment is to be effective, and the denominator being the Basic Index. If the Index is changed so that the Index differs from that used as of the Commencement Date of the Lease, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics.

If the Index is discontinued or revised during the Term of this Lease, such other governmental Index or computation with which it is replaced shall be used in order to obtain substantially the same results as would be obtained if the Index had not been discontinued or revised.

29(c) Illustration of Formula. The formula for determining the new rent shall be as follows:

$$\frac{\text{New Index}}{[\text{Base Index}]} \times \$11,160.00 \text{ (Base Rent)} = \text{New Monthly Base Rent}$$

29(d) Limitations on CPI Adjustment. In no event shall the monthly Base Rent adjustment based upon the CPI Formula result in an annual increase more than four percent (%) per year of the Base Rent of \$11,160.00 (i.e. not more than \$446.40 per month, per annual adjustment). In no event shall the monthly rent be adjusted by the CPI Formula to result in a lower monthly Base Rent than was payable during the previous year.

9. All undefined terms when used herein shall have the same respective meanings as are given under the Lease as amended unless expressly provided otherwise in this Amendment No. 1.

10. Each of the signatories for Lessor and Lessee each personally covenant, warrant and guarantee that each of them, jointly and severally, have the power and authority to execute this Amendment No. 1 upon the terms and conditions stated herein and each agrees to indemnify and hold harmless the other party from all damages, costs, and expenses, which result from a breach of this representation.

11. In the event of a conflict between the terms and conditions of this Amendment No. 1 and the terms and conditions of Lease No. 72382 and/or any prior amendment thereto, the terms and conditions of this Amendment No. 1 shall prevail. All other terms and conditions of the Lease as amended shall remain in full force and effect.

**IN WITNESS WHEREOF**, the Lessor has executed this Amendment No. 1 or caused it to be duly executed, and the County of Los Angeles by order of its Board of Supervisors, has caused this Amendment No. 1 to be executed on its behalf by the Chair of said Board and attested to by the Clerk thereof the day, month, and year first above written.

**LESSOR:**

**FIRESTONE PLAZA, LLC**  
**a California Limited Liability Company**

By: 

Name: Alex Sorigianides

Its: MEMBER, FIRESTONE PLAZA, LLC

**LESSEE:**

**COUNTY OF LOS ANGELES**  
**a body politic and corporate**

By: \_\_\_\_\_  
Michael D. Antonovich  
Mayor, Board of Supervisors

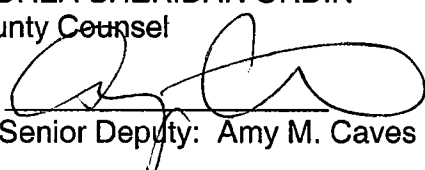
**ATTEST:**

Sachi A. Hamai  
Executive Officer-Clerk  
of the Board of Supervisors

By: \_\_\_\_\_  
Deputy

**APPROVED AS TO FORM:**

**ANDREA SHERIDAN ORDIN**  
County Counsel

By:   
Senior Deputy: Amy M. Caves